

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRICE CHANGES

Docket No. CP2020-249

**USPS RESPONSES TO
CHAIRMAN'S INFORMATION REQUEST NO. 1**
(August 21, 2020)

The United States Postal Service hereby provides its responses to Chairman's Information Request (CHIR) No. 1, which was issued on August 18, 2020. Responses were due by August 25, 2020. Each question is reprinted verbatim in the attached, and is followed by the Postal Service's response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

Elizabeth A. Reed

475 L'Enfant Plaza, SW
Washington, D.C. 20260
(202) 268-3179
Elizabeth.A.Reed@usps.gov
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USPS RESPONSES TO CHAIRMAN'S INFORMATION REQUEST NO. 1

1. Please confirm that, when calculating the annual price adjustments for negotiated service agreements (NSAs) with anniversary dates on or after October 18, 2020 and before December 27, 2020, the Postal Service will use the increases in rates of general applicability included in the Notice in lieu of the corresponding increases in rates of general applicability approved in Docket No. CP2020-5.¹ If not confirmed, please explain.

RESPONSE:

Confirmed generally, but with the following caveats:

- NSAs that contain percentage discounts off of prevailing published prices have already adjusted prices based on the Docket No. CP2020-5 price change, and would also adjust on October 18 and December 27.
- PMNPR contracts that adjust based on Priority Mail Retail prices would adjust based on the Docket No. CP2020-5 prices, as that remains the most recent change in Priority Mail Retail prices.
- Certain other NSAs may contain unique or customized annual price adjustment mechanisms that do not call for price adjustments during this window.

¹ See Docket No. CP2020-5, Order Approving Price Adjustments for Competitive Products, November 15, 2019 (Order No. 5308).

USPS RESPONSES TO CHAIRMAN'S INFORMATION REQUEST NO. 1

2. Please confirm that, when calculating the annual price adjustments for NSAs with anniversary dates on or after December 27, 2020 and before the subsequent increase in rates of general applicability for competitive products, the Postal Service will use the increases in rates of general applicability included in the Notice in lieu of the corresponding increases in rates of general applicability approved in Docket No. CP2020-5. See *id.* If not confirmed, please explain.

RESPONSE:

Not confirmed. Once the Time-Limited Price Change has rolled back on December 27, 2020, the Postal Service considers the rate change in Docket No. CP2020-5 to be the “most recent change” in commercial prices applicable to the handful of contracts with anniversary dates between December 27, 2020, and the next annual price change in 2021. Please note that the following caveats would still apply:

- NSAs that contain percentage discounts off of prevailing published prices have already adjusted prices based on the Docket No. CP2020-5 price change, and would also adjust on October 18 and December 27.
- PMNPR contracts that adjust based on Priority Mail Retail prices would adjust based on the Docket No. CP2020-5 prices, as that remains the most recent change in Priority Mail Retail prices.
- Certain other NSAs may contain unique or customized annual price adjustment mechanisms that do not call for price adjustments during this window.